



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 3, 2013

Gary Burningham
BEG Resources, LLC
PO Box 974
American Fork, Utah 84003

Subject: Reclamation Surety and Cultural Resources Survey Required, BEG Resources, LLC., Vernon Shale Project, S/045/0090, Tooele County, Utah

Dear Mr. Burningham:

The referenced Notice of Intention to Commence Small Mining Operations (NOI), received by the Division of Oil, Gas and Mining on May 2, 2013, is complete **with the exception of the cultural resources survey and reclamation bonding requirement.** The required reclamation surety is estimated to be either \$14,600 for a 3 year escalation or \$15,000 for a 5 year escalation. This was determined based on information in the following table.

**Small Mine Operation Bond
Calculation Worksheet S/045/0090**

3-year escalation (2016)

Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$9,400.00	\$9,400.00
Add'l Acres Disturbance	1	\$5,200.00	\$5,200.00
TOTAL			\$14,600.00

5-year escalation (2018)

Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$9,700.00	\$9,700.00
Add'l Acres Disturbance	1	\$5,300.00	\$5,300.00
TOTAL			\$15,000.00

The Division has yet to receive concurrence from the Bureau of Land Management for the surety amount, so this is an estimate. No mining related disturbance may be created until the surety is received and approved and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety can be submitted in one of several forms, including, an irrevocable letter of credit, a certificate of deposit, cash or a surety bond. Please contact Penny Berry at 801-538-5291 or by e mail at pennyberry@utah.gov for assistance in completing this requirement.

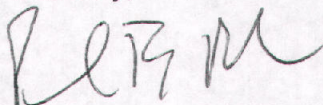


Gary Burningham
Page 2 of 2
S/045/0090
June 3, 2013

The Division needs to receive a report documenting results of a survey for cultural resources in the area proposed to be disturbed. With this information, there will be a determination of potential effects on significant cultural resources, and the Division will seek concurrence from the State Historic Preservation Officer of that determination.

Please contact me at 801-538-5261 or Leslie Heppler at 801-538-5257 if you have any questions regarding this letter. In reply please refer to file number S/045/0090.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Baker', written over a horizontal line.

Paul B. Baker
Minerals Program Manager

PBB: lah: eb
cc: BLM – Stephen.Allen@blm.gov Larry.Garahana@blm.gov
P:\GROUPS\MINERALS\WP\M045-Tooele\tent-5433-06032013.doc